

T³: Trustee Training Tips

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WHAT MAKES A SUCCESSFUL TRUSTEE?

Every new trustee brings his or her personal experiences, skills, and talents to the board, which can be a great asset to the library. Common sense, political savvy, and leadership are among the most valued traits and all board members should possess them to some degree. But the most important qualification is an abiding interest in the library and a desire to see it flourish in your community. With that as motivation, you will be successful.

Some skills are brought to the board and others are learned as one serves. The maxim “experience is a great teacher” holds true here as well, but how do you know if a novice trustee is going to learn to be an effective trustee? According to the LE@D online tutorial, *Become an Effective Trustee*, certain traits tend to guarantee a board member’s performance:

- Interest in the library, in the community, and in the way each trustee relates to the other members of the board;
- Readiness to devote time and effort to the duties of library trusteeship;
- Initiative and ability to establish impartial policies for successful operation of the library;
- Recognition of the importance of the library and its role in the community;
- Closeness to the community and the forces that impact the library;
- Ability to work well with others;
- Ability to listen effectively;
- Ability to plan and carry out plans;
- Devotion to the library and its progress;
- Skill in board management;
- An open mind and intellectual curiosity;
- Sound judgment, a sense of fiscal responsibility, legal understanding, and political awareness;
- Verbal and written communication skills;
- Ability to relate to the public;
- Availability to represent the library at public functions and meetings.

How does your board measure up against these traits? Are there skills in which your group needs further development? Can you use this list to help in the selection of new trustees for your board?

SELF-ASSESSMENT

Looking for another self-assessment tool to determine how well your library Board of Trustees is functioning? This one is from The Business Blog at Intuitive.com:

Please rate your assessment of the library board's performance on a scale of 1-5, with 1 being Not At All Confident and 5 being Very Confident.

How confident are you that as an effective governing body, the library board:

1. Monitors and evaluates the performance of the library director on a regular basis?
2. Ensures legal compliance with federal, state, and local regulations?
3. Ensures that government contact obligations are fulfilled?
4. Monitors financial performance and projections on a regular basis?
5. Has a strategic vision for the library?
6. Has an income strategy (that combines earned income, contributions, and other revenue) to ensure adequate resources?
7. Currently contains an appropriate range of expertise and diversity to make it an effective governing body?
8. Regularly assesses its own work?

How confident are you that most or all board members:

9. Understand the mission of the library?
10. Are adequately knowledgeable about the library's programs?
11. Act as ambassadors to the community on behalf of the library?
12. Follow through on commitments they have made as trustees?
13. Understand the respective roles of the board, director, and staff?
14. Are appropriately involved in board activities?

WHY EVALUATE YOUR BOARD?

It is sometimes surprising, and always unsettling, to find library boards with a less than needed understanding of their accountability as trustees. This does not mean they are uninterested or uncaring, but that they just don't comprehend how accountable they are for what the public library does—or doesn't do.

The library board is responsible and liable for everything in the library they govern. This is not a license to micromanage staff or collection development or other day-to-day management duties of the library director. But it is a reminder that trustees need to make sure they are doing their jobs in governing the library.

While lawsuits against libraries are rare (and this may account for a board's lack of concern about accountability), they do happen. And being a volunteer board member does not excuse one from due diligence.

But it's more than just keeping one's board legal; there are also ethical issues to consider. Remember, you are *trustees* because you have been *entrusted* to take the people's money and give them quality library service in return.

So who holds the board accountable? Obviously, the public does. And your appointing authority. However, to be truthful, rarely do either the public or your local fiscal court know if the board is doing its job effectively—not until something has gone so wrong it's worthy of front page news. That means it's left up to the board to hold itself accountable and to measure its performance and effectiveness periodically through a formal process. There are a number of other good tools available through your Regional Consultant. Find one you like...and use it.

EARNED INCOME

In the self assessment on the previous page, you are asked if your board has an income strategy that includes earned income. Do you? Even if you do, is it one that is reviewed frequently to make sure you are capitalizing the library's income to the fullest?

This is a task better suited to an individual or small committee rather than the board as a whole. It may be delegated to the person with the most financial experience, be that your board treasurer, director, some other trustee, or even a financial advisor. Of course, the whole board will approve the recommendations of this person or committee before any action is taken.

The bottom line here is not to let a lot of "excess" money sit in a checking account, or elsewhere, where it is not earning the most interest it can. Checking accounts are usually the lowest rate, but with interest fluctuating as much as it does, it pays to stay alert to money market accounts, short term certificates of deposit, sweep accounts, etc.

A first step is to look at the library's annual operating budget. It would be simple if all expenditures could be divided by 12 and every month was pretty much the same, but the reality is otherwise. Some bills are paid quarterly, semi-annually, or even annually—leaving some months with considerably higher expenditures than others. But looking at the past few years will determine a pattern of how much is needed by when.

Once you have established a cash flow pattern, it's time to figure out where to put that money you don't need right now but will later on in this budget year. An aggressive investment plan will see funds transferred from a higher interest venue into the checking account on a regular basis—just in time to cover the bills due that month.

Remember, that as a public entity, the library cannot invest just anywhere it wishes: the lottery and the racetrack are off limits. In 1994, KRS 66.480 required libraries to adopt an investment policy and placed restrictions on how they could invest their funds. See www.lrc.state.ky.us/KRS/066-00/480.pdf for the complete statute.

Among the enumerated approved investments are: national or state banks chartered in Kentucky; obligations backed by the United States or a U.S. government agency (Treasury notes, for example); obligations of any corporation of the U.S. government (Federal Farm Credit Banks, TVA, etc); certificates of deposit issued by institutions insured by the FDIC or which are collateralized; bonds or certificates of indebtedness of this state and of its agencies and instrumentalities; and shares of mutual funds that meet specified characteristics. No investments may be made on a margin basis or through the use of any similar leveraging technique.

Yes, there are restrictions, but there are also a lot of opportunities to make more money with the library's money.

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LIBRARY LETTERS

Dear Marian Librarian,

We understand we are limited in how we can invest the library's money, but that refers only to the tax income, right? Our desk receipts and donations can be used any way we wish, can't they?

-- Troubled Trustee

Dear Troubled,

That's a logical assumption, but unfortunately, an erroneous one. Once funds come into a public agency (library), they become public funds and are subject to all the rules and regulations of any other money the agency has. [KRS 446.010] That means desk receipts, interest earned, "found money" of any kind would be included in your adopted investment policy, and it would preclude the use of such funds for anything for which you would not use your tax income. As the commercial said, "parts is parts" and in this case, money is money.

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LIBRARY STATS

👍 Home internet access reached 67.2% in 2007. All Kentucky public libraries continue to provide free internet access.

👍 The number of KFC restaurants worldwide (over 11,000) approximated the number of groups using meeting rooms in Kentucky's public libraries (12,552).

👍 The number of patrons in Kentucky public libraries (17,769,379) exceeded attendance at Broadway plays by over five million people in 2006-2007.

👍 The total salary of the top executive for Exxon and Wal-Mart in 2007 exceeded all Kentucky public library directors' combined wages by nearly a million dollars.

